

**EXHIBIT 5-7**  
**USE OF JOB CORPS FUNDS FOR CHILD DEVELOPMENT**  
**CENTERS AND RESIDENTIAL PARENT AND/OR GUARDIAN/CHILD**  
**PROGRAMS**

1. Job Corps appropriated funds must never be used for expenses related to the cost of medical care (except in the case of a medical emergency) or food for children of Job Corps students at Child Development Centers (CDCs) or Residential Parent and/or Guardian/Child Programs.
2. There are many local non-Job Corps resources an Operator may leverage in meeting the Child Development Center (CDC) and Residential Parent and/or Guardian/Child Program requirements of its contract. Such resources include:
  - a. Head Start
  - b. Student childcare grants made available under state childcare and development block grant programs
  - c. Alternative high schools
  - d. School lunch programs/child nutrition programs
  - e. Supplemental Nutrition Assistance Program (SNAP) (for students in residential parent and/or guardian/child programs)
  - f. Foundations
  - g. Child welfare organizations
  - h. YWCA/YMCA and other community groups
  - i. Public programs for child immunizations, vision and hearing screening
  - j. Medicaid (for health care for children)
3. Entities preparing proposals under a solicitation for a firm fixed price operations contract are encouraged to engage local non-Job Corps resources. DOL anticipates that offerors will be able to propose to meet many CDC or Residential Parent and/or Guardian/Child Program requirements with the help of these leveraged resources.
4. In exceptional circumstances, a Job Corps center operator (Operator) may be able to support a request for additional compensation (reprice) after award due to increased costs of CDCs and/or Residential Parent and/or Guardian/Child Programs. Such requests must clearly demonstrate what has changed since award that could not be reasonably anticipated, or which otherwise would entitle the Operator to reprice the contract work. Further, the Operator should demonstrate why other no-cost, non-Job Corps resources could not be leveraged to address any impact.
5. In instances where the Operator is operating under a cost reimbursement contract, or in other circumstances where costs of Contract performance may be reimbursed by the Government (for instance a request for an equitable adjustment):
  - a. DOL will follow applicable Federal Acquisition Regulation provisions to determine the allowability, allocability and reasonableness of all costs for which reimbursement is requested.

- b. Where program law or fiscal law prohibit use of Job Corps fund for some purposes, any such costs will not be reimbursed.
  - c. Some CDC related costs may be billable under a cost reimbursement contract line item (CLIN) (for example, a CLIN for construction and facilities related work). In accordance with the terms of the pertinent contract, an Operator may bill under such CLINS for one-time items such as:
    - a. Equipment
    - b. Facility design
    - c. Facility construction/rehab
    - d. Start-up operating costs
  - d. Further, in accordance with the terms of the pertinent contract, contractors may bill under such CLINS for the costs to support the operation of CDCs and Residential Parent and/or Guardian/Child Programs to cover real property related costs such as:
    - a. Maintenance
    - b. Utilities
6. Center operators shall not require that students make payments (to include the withholding of transition allowances or requiring students to use student allotments) to the center Operator or CDC service provider in connection with childcare or residency in a single parent and/or guardian dorm.